

## Spousal Impoverishment Resource Provisions

### KEESM 8140,8143,8144,8244

<b>General Guidelines</b>	<ul style="list-style-type: none"> <li>◇ Married Couples Only <ul style="list-style-type: none"> <li>○ 1 Spouse in community (includes HCBS)</li> <li>○ 1 Spouse in institution or HCBS</li> </ul> </li> <li>◇ Length of institutionalization must be at least 30 consecutive days and verification is required. <p><b>Example:</b> <i>Mr. Smith enters hospital on January 10<sup>th</sup>. He is discharged to the nursing facility on February 20<sup>th</sup> and returns home on March 7<sup>th</sup>. This meets the 30 consecutive days of institutionalization.</i></p> </li> </ul>
<b>Resource Assessment</b>	<ul style="list-style-type: none"> <li>◇ Determines community spouse's resource allowance</li> <li>◇ Use ES-3162, Resource Assessment &amp; Resource Allowance Determination Form</li> <li>◇ Assess resources couple owned the month the LTC spouse entered the institution or at the time the HCBS spouse would otherwise qualify for HCBS services (been assessed and chosen HCBS) <ul style="list-style-type: none"> <li>○ If more than one time in LTC, use first 30 day stay after 9/30/89</li> <li>○ Couple is responsible for providing documentation of resource value</li> <li>○ Only non-exempt resources are considered</li> <li>○ If both spouses are applying for HCBS arrangements, they must designate which one is to be considered the community spouse.</li> </ul> </li> <li>◇ Use highest value of the resource when completing assessment KEESM 8144.2.</li> <li>◇ Once the assessment has been completed and the community spouse's resource allowance determined, send notice to couple and provide a copy of the Resource Assessment and Allowance Determination Form (ES-3162)</li> <li>◇ Once determined, the resource assessment remains in effect even if the LTC spouse should return to independent living</li> <li>◇ A consumer can request an assessment only. Process case as MS/AC with denial code of "AO" (Assessment Only)</li> </ul>
<b>Community Spouse's Resource Allowance</b>	<p>Shall be the greater of <b>\$21,912*</b> or ½ the value of the couple's nonexempt resources owned at the time the LTC spouse entered the institutional or HCBS arrangement not to exceed <b>\$109,560*</b>.</p> <p>*= January amounts (subject to change)</p>

<b>Implementing the Resource Allowance</b>	<p>Compare the total nonexempt resources owned by the couple in the month of application to the community spouse's resource allowance.</p> <p><b>If resources (jointly owned or solely owned by LTC spouse) equal the community spouse resource allowance:</b></p> <ul style="list-style-type: none"> <li>◇ Eligibility, including prior eligibility can be established for the institutionalized spouse if the husband or wife sign a Notice of Intent to Transfer Resources.</li> <li>◇ Couple has 90 days from the date the intent notice is filed to complete the transfer. Can be extended for good cause.</li> <li>◇ If fail to follow through without good cause, close case giving timely notice. No overpayment. New ownership must be clearly designated.</li> </ul> <p><b>EES worker must:</b></p> <ul style="list-style-type: none"> <li>◇ Include documentation in the file</li> <li>◇ Send Spousal Impoverishment Allowances Memorandum to Central Office Legal Division.</li> </ul>
<b>Resource Assessment and Allowance Checklist</b>	<ol style="list-style-type: none"> <li>1. Find out first long term stay (30 consecutive days in an institution or HCBS assessment)</li> <li>2. Request all resources owned in the month of the first long term stay &amp; the month of application. In some cases, this will be the same. <ul style="list-style-type: none"> <li>✓ Forms needed to complete the Resource assessment &amp; allowance Resource Assessment &amp; Allowance Determination Form (ES-3162) <i>Remember to make a copy to send to the applicant.</i></li> <li>✓ Notice of Intent to Transfer Resources (Appendix Form M-2)</li> <li>✓ Spousal Impoverishment Allowances Memorandum (Appendix Form M-4)</li> </ul> </li> </ol>

## Trusts & the Community Spouse Resource Assessment KEESM Summary of Changes 5/08

An exempt resource placed in a trust will be counted as exempt when determining the Community Spouse Resource Allowance, BUT not when determining eligibility for LTC.

A married couple – husband in a nursing facility and wife in the community – has \$80,000 in cash assets not in a trust and a \$100,000 home in a revocable trust. The couple requests a CSRA assessment.

The \$80,000 in cash assets is a countable resource, but the home is exempt because (if not in the trust) it is the community spouse's primary residence. The CSRA would be \$40,000 (\$80,000 cash assets divided by 2 = \$40,000).

In determining eligibility, the house would be a countable resource because it is in an available trust. The amount of resources attributed to the nursing home spouse is \$140,000 (\$80,000 cash assets + \$100,000 house = \$180,000 countable assets - \$40,000 CSRA = \$140,000 attributed to the nursing home spouse).